

A message from the Governor by his Private Secretary, Mr. Britton, was announced as follows :

GOVERNOR'S OFFICE, }  
Austin, Nov. 28, 1871. }

Hon. WEBSTER FLANAGAN,

President of the Senate :

SIR: I return to the Senate, where it originated, the act entitled "An act explanatory of the tax laws of the State of Texas, and to avoid double taxation." It will be sufficient, I think, by way of objection to this bill, to call the attention of the House to the fact that it is directly in conflict with the provision contained in section nineteen of article twelve of the Constitution, which declares that "all property in the State shall be taxed in proportion to its value, to be ascertained as directed by law." It proposes to relieve all property of railroads from taxation. Further, on the question of equalization of taxes, it is apparent that this act would operate very unequally. It will be noticed that section six of the "act to give effect to the several provisions of the Constitution concerning taxes, approved April 22, 1871," forbids the counties from levying a tax on the receipts of railroads; so the only tax these institutions would be liable to pay, should the act under consideration become a law, would be one per cent. to the State on the gross receipts. Whether this would be fair to other tax payers may be ascertained very readily by the following estimate: I will instance a railroad valued at four millions of dollars, the annual gross receipts of which amounts to one million; the *ad valorem* tax on this four millions of property will yield for the State at one half of one per cent., \$20,000 for the county roads, etc.; at one half of one per cent., \$20,000 for the school districts; not exceeding one per cent., \$40,000; total, \$80,000 *ad valorem* tax, while the gross receipts tax of one per cent. on \$1,000,000 only yield ten thousand dollars. Thus we see that if an individual be the owner of four millions of property, he will have to pay \$80,000 while the same amount of property belonging to a railroad will practically pay but \$10,000.

If the Legislature is satisfied that the railroads should be relieved of one or other of these taxes, then fairness to the citizen tax payer, as well as the plain words of the Constitution require, that the *ad valorem* tax should not be the one remitted.

Very respectfully,

EDMUND J. DAVIS, Governor.

On motion of Senator Saylor, the message was referred to a select committee of three.

The President appointed as such committee Senators Saylor, Ford and Cole.